

October 30th, 2022

Vanessa Countryman, Secretary  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-0609

**Re: Reporting of Securities Loans (File No. S7-18-21)**

Dear Secretary Countryman:

I am writing in strong support of rule 10c-1, "Reporting of Securities Loans".

I support having transaction-by-transaction reporting as it curtails "hiding within the aggregate." The obfuscation of short selling through the aggregate may serve as an impetus for profiteering from funds looking to exploit this.

The 15 minute reporting requirement, despite the potential cost and effort associated, is, in my opinion, appropriate in tackling fraud and obfuscation via loopholes.

Predatory actors seeking to extract profit from the market do so at the expense of families and common working class citizens. With retail investors being an ever growing and substantial cohort of the market, it is absolutely necessary to have adequate advocacy to ensure everyday investors are protected first and foremost. I commend the Commission in putting working families front and center in the strategic plan for FY22-26. I believe this to be a step in the right direction to protecting working class citizens.

In a similar vein, I believe that companies victimized by predatory actors also require protection via a robust capability to fend off predators. Obfuscated short selling undermines both true price discovery and competition. Having a subset of the market, namely some short selling funds, have the seemingly unfettered ability to destabilize companies unaware of the antics due to obfuscation is abhorrent. Obfuscated short selling serves to victimize investors as a means for profiteering, which completely undermines the public's interests. The timely detection of fraudulent and abusive activity takes precedence over profiteering.

In addressing transparency and investor victimization, I believe the following should be done:

- Notifying the public of the specific parties (both borrower and lender) involved in share lending
- Notifying investors that their shares are being lent, as they lose voting rights and tax-qualified dividends
- Sharing any revenue from share lending with retail investors
- Complete removal of "Onward Lending"
- Necessitating every loan have a firm enforceable due date

Having greater transparency in the markets means participants can make informed decisions by identifying and understanding the associated risks by having a public record of securities lending. Timely reporting allows for timely reactions. The delay, or lack, of reporting inhibits working class

families and individual investors from protecting themselves. Working families and individual investors need to be able to look both ways before they cross Wall Street. No one wants working families run over in the name of profiteering.

Another benefit to having transparency is the afforded ability of leveraging the public as an extra set of eyes to monitoring lending chains, thereby bolstering the Commission's ability to fulfill its mandate at no extra cost. Timely and detailed reporting would establish a waterfall effect of data analysis, whereby individual investors collectively build off the analyses of each other, aggregating and distributing for free. Working class families do not necessarily have the resources to buy data and analysis, this allows individual investors to help one another and receive aid for free. Increased transparency has far reaching benefits to investor protection than what is immediately in scope. A greater provision of data would also empower whistleblowers, who extend the Commission's reach and also augment its ability to meet its strategic goals.

Obfuscated lending chains left unabated can compound into clusters of destructive chains of obligation that can potentially lead to systemic instability. Condoning the current opaque share lending status quo at the expense of systemic stability is in direct opposition of investor protection. Therefore, I believe taking steps to enable market transparency is of utmost importance.

Sincerely,

A Concerned Investor